UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF VIRGINIA (Richmond Division)

In re:)	
)	Chapter 11
CIRCUIT CITY STORES, INC., et al.,)	Case No. 08-35653
)	Jointly Administered
Debtors.)	·
)	

OBJECTION OF CHILDREN'S DISCOVERY CENTERS OF AMERICA, INC. TO SALE OR CONVEYANCE OF REAL PROPERTY IN DEROGATION OF ITS LEASEHOLD AND TITLE INTERESTS UNDER GROUND LEASE

Children's Discovery Centers of America, Inc. ("Centers"), by counsel, respectfully objects to any sale or conveyance of the real property subject to that certain Ground Lease (the "Ground Lease,") between Circuit City Stores, Inc. ("Circuit City"), as Landlord, and Centers, as Tenant, dated February 2000, to the extent that such sale or conveyance purports to impair in any way Centers' rights under the Ground Lease (copy attached hereto as Exhibit "A"). In support of this precautionary objection, Centers' respectfully states as follows:

1. Centers, as Tenant, and Circuit City, as Landlord, entered into the Ground Lease in or about February, 2000. Pursuant to the Ground Lease, Circuit City leased to Centers approximately 2.20 acres of land in the County of Henrico, Virginia (the "Premises"), upon which Centers has constructed a building from which it operates a pre-school and child care facility, utilized by the children of Circuit City employees and members of the general public.

¹ Children's Discovery Centers of America, Inc. is identified as the Tenant under the Ground Lease. Children's Discovery Centers of America, Inc. has subsequently changed its name, and is currently known as Knowledge Learning Corporation.

- 2. The Ground Lease is for an initial 20-year term, with two 10-year option periods. Under paragraph 5 of the Ground Lease, Centers holds title to the improvements constructed upon the Premises until expiration or earlier termination of the Lease.
- 3. Upon information and belief, Circuit City has neither assumed nor rejected, nor sought to assume or reject, the Ground Lease under 11 U.S.C § 365(a).
- 4. Counsel for Circuit City advised counsel for Centers yesterday that the Debtors have not received any current offers for the sale of the Premises. Nonetheless, given the extraordinarily tight deadlines within which counter-parties to executory contracts and leases are being required in this case to respond to proposals concerning the assumption, rejection, or other disposition of executory contracts and leases, Centers objects on a precautionary basis to any proposed sale or other conveyance of the Premises to the extent that such a sale or disposition would purportedly occur free and clear of Centers' rights under the Ground Lease or otherwise impair in any way Centers' rights under the Ground Lease and under 11 U.S.C. § 365(h).

Date: January 14, 2009 Respectfully submitted,

LEACH TRAVELL BRITT pc

/s/Stephen E. Leach

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